



U.S. COMMODITY FUTURES TRADING COMMISSION

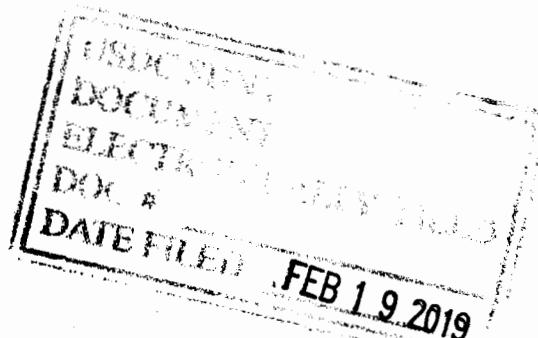
Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
Telephone: (202) 418-5320
Facsimile: (202) 418-5937
www.cftc.gov

Division of
Enforcement

PETER HAAS
CHIEF TRIAL ATTORNEY
Phone: (202) 418-5377
Facsimile: (202) 418-5937
E-mail: phaas@cftc.gov

February 15, 2019

Honorable George B. Daniels
United States District Judge
Southern District of New York
United States Courthouse
500 Pearl Street
New York, New York 10007



Re: Status report -- *CFTC v. Stephen Walsh, Paul Greenwood, et al.*, Civil Action No. 09-cv-1749 and *SEC v. WG Trading Investors, L.P., et al.*, Civil Action No. 09-cv-1750

Dear Judge Daniels:

We are writing to you on behalf of the Commodity Futures Trading Commission ("CFTC") and the Securities and Exchange Commission ("SEC") in the above-captioned matters. We are writing to provide an update on the status of remaining issues in this case. Since the agencies last status report, the agencies have continued to work to resolve the remaining litigation with regard to both the individual defendants and the corporate entities that are named either as defendants, or relief defendants, in the respective complaints filed by the agencies.

With regard to the litigation as it pertains to the corporate entities, the agencies have had additional substantive exchanges with counsel for the receiver on proposed consent orders. Recently, discussions took place between the receiver, receiver's counsel, and counsel for the agencies, in which final revisions to proposed consent orders were mutually agreed to, and incorporated into final versions, which the agencies anticipate that the receiver will execute in the near future. At that point, the agencies would be in a position to seek formal authority from the respective Commissions to accept the proposed terms. If the respective agencies accept the recommendations to accept the proposed consent orders, counsel for the agencies would then be authorized to sign off on the proposed consent orders on behalf of the agencies, and then to submit the proposed orders to the Court for review and approval. The agencies anticipate that

this review process should be completed within approximately thirty to sixty days from the date when the agencies receive the proposed consent orders from the receiver.

The agencies have also finalized, or expect to be able to finalize, their respective plans to conclude the litigation with regard to the individual defendants and remaining individual relief defendant, and anticipate being in a position to implement those plans during this same time period. Overall, the agencies anticipate that they will be able to conclude all remaining issues by the time the receiver projects that it will be in position to seek final approval from the Court to make the final distribution for the remaining approved investor claims, and to conclude the receivership. We propose to provide a further status report within 90 days, unless the above-described plans can be completed earlier.

Sincerely,

/s/ Peter M. Haas
Peter M. Haas
Commodity Futures Trading Commission

/s/ Paul G. Gaggi
Paul G. Gaggi
Securities and Exchange Commission

IT IS SO ORDERED:

Date: FEB 19 2019

George B. Daniels
JUDGE GEORGE B. DANIELS
UNITED STATES DISTRICT JUDGE